GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2894
ANSWERED ON:15.03.2016
Details of Fertilizer Plants
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

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(a) the total number and the details of fertilizer plants functioning , sick and defunct in the country, State/UT-wise;

(b) whether the said plants are being given any incentives; and

(c) if so, the details thereof along with the details of the financial aid/assistance approved for the revival of sick/defunct chemical and fertilizers plants during the last three years and the current year and the time schedule for the revival?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a): The details of major fertilizer units in the country, which are in functioning/ sick, closed/defunct are at Annexure-I.

(b): As per the New Urea Policy-2015 dated 25th May, 2015, for production beyond the Re-Assessment Capacity (RAC), the 25 gas based urea units are entitled for their respective variable cost and a uniform per MT incentive equal to the lowest of the per MT fixed costs of all the indigenous urea units subject to import parity price plus weighted average of other incidental charges which the government incurs on the imported urea.

(c): At present there are three public sector fertilizer companies which are sick

i. The Fertilizers And Chemicals Travancore Limited (FACT)
ii. Madras Fertilizers Limited (MFL)
iii. Hindustan Fertilizer Corporation Limited

Company wise efforts being made to revive these companies along with financial assistance are as under :
-2-

The Fertilizers And Chemicals Travancore Limited (FACT):

To revive FACT a proposal for revival and financial restructuring of the Company is underway. In the meantime, to avert immediate crisis, budgetary provision of Rs. 1000 Crore for providing Plan loan to FACT has been made during the Financial year 2015-16.

Madras Fertilizers Limited (MFL):

In terms of Department of Public Enterprises guidelines on streamlining the mechanism of revival and restructuring of sick Central Public Sector Enterprises, MFL has been directed to engage an external expert agency to explore the possibility of its revival.

Hindustan Fertilizer Corporation Limited (HFCL):

The company was declared sick by the Board for Industrial and Financial Reconstruction (BIFR) in 1992. At present all units of the company are closed. To bring the company out from the purview of BIFR, a proposal for the financial restructuring of HFCL is underway.

In terms of Cabinet approval in 2008, revival of all the five closed units of FCIL and three units of HFCL is to be done subject to non recourse to government funding. Out of these units Ramagundam unit of FCIL is likely to get commissioning by September 2018.

Department of Chemicals and Petrochemicals:

There are three Chemical PSUs under the administrative control of Department of Chemicals and Petrochemicals viz. Hindustan Insecticides Ltd. (HIL), Hindustan Organic chemicals Ltd. (HOCL) and Hindustan Fluorocarbons Ltd. (HFL which is a subsidiary of HOCL).

HOCL and HFL are registered with BIFR as sick companies. Funds sanctioned/ released of HOCL and HFL during the last three years and current year are given in the following table:
(Figure in Crore)

Sl.No.	Name of PSUs	2012-13 (Actual)		2013-14 (Actual)		2014-15 (Actual)		2015-16(Up to 31.12.2015)	
		Plan	Non-plan	Plan	Non-plan	Plan	Non-plan	Plan	Non-plan
1.	HOCL	17.60	-	-	-	-	-	-	24.61
2.	HFL	-	-	-	-	16.80	-	-	-

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